

[English]

Impact of Devaluation on Balance of Payment Position

2663. PROF. UMMAREDDY VENKATESWARLU: Will the Minister of FINANCE be please to state:

(a) the extent to which the results anticipated by the devaluation of rupee have been achieved;

(b) whether the balance of payments position has improved; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) to (c). The adjustments in the exchange rate of rupee in terms of the major currencies of the world were effected in two-stages on the 1st and 3rd July, 1991 as part of a package of policies aimed at restoring confidence and enhancing the international competitiveness of Indian exports. The total impact of the exchange rate adjustment and the introduction of Eximscrops is to improve the competitiveness of India's exports. Besides, several structural reforms in the spheres of industry and trade coupled with a strict monetary and fiscal discipline are expected to dampen inflationary pressures, to increase efficiency and productivity and impart dynamism to the growth process and thereby provide a solid foundation for higher exports and over all growth. Movements in the foreign exchange reserves of the RBI are a summary indicator of a country's balance of payments position and reflect the net result of transactions in the external sector. These have shown improvement in recent weeks. Foreign exchange reserves (excluding Gold & SDR) stood at Rs. 6964.81 crores as on 29th November 1991 and showed an increase of

Rs. 2576.71 crores over the end March 1991 level.

Border Trade with China

2664. SHRI JANARDAN MISRA:
SHRI RAMASHRAY PRASAD SINGH:

Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have decided to start border trade with China;

(b) if so, whether any high level discussions have been held in this regard;

(c) if so, the outcome thereof;

(d) if not, the time by which the discussions are proposed to be held; and

(e) the areas in which trade activities are likely to be increased and the terms and conditions thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) The proposal to resume border trade is under consideration.

(b) and (c) A three member Chinese delegation from Ministry of Foreign Economic Relations and Trade, Beijing visited India during October 5-10, 1991. Views were exchanged regarding the resumption of border trade.

(d) Does not arise.

(e) As in (a) above.

Notices issued by Income Tax Department in Thane City

2665. SHRI YASHWANTRAO PATIL: Will the Minister of FINANCE be pleased to state:

(a) whether the Income Tax Department has issued notices in Thane City (Maharashtra) to the persons who had booked for O.Y.T. telephones with Mahanagar Telephone Nigam Limited since, 1986;

(b) if so, the number of persons to whom such notices have been issued;

(c) whether notices have been issued only to those persons who are to get telephone connections; and

(d) the steps taken or proposed to be taken by the Government to ensure that public is not put to any inconvenience by the income tax authorities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) to (c). The concerned Central Information Branch of the Income-tax Department has obtained information about the persons who have deposited Rs. 8000 with the Mahanagar Telephone Nigam Ltd. for booking new telephone connections for Thane City under the OYT Scheme during the period 1.4.1988 to 31.3.1991. There after enquiry letters have been issued to 1500 such persons, irrespective of whether or not they have since got the telephone connections.

(d) For identifying new taxpayers and for detecting tax evasion in the cases of existing taxpayers, the Central Information Branch of the Income-tax Department collect and verify information for which a detailed procedure has been laid down, which ensures interalia that no undue inconvenience is caused to the public.

International Trade Fair

2666. SHRI YASHWANTRAO PATIL: Will the Minister of COMMERCE be pleased to state:

(a) the countries which participated in the International Trade Fair held in Delhi from November 14, 1991;

(b) the names of Indian firms which participated in the Trade Fair;

(c) the steps taken by the Government to ensure maximum order for Indian goods from foreign countries; and

(d) the details of orders booked, country-wise?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED): (a) 17 countries viz, Afghanistan, Bangladesh, Brazil, Bhutan, Cyprus, Hungary, Hong Kong, Italy, Namibia, Nepal, Nigeria, Poland, Romania, State of Palestine, Sri Lanka, USSR and Vietnam organised national participation at the fair. In addition, 3 companies from U.K., one company each from Ireland, France, Italy, Ukarian Chamber of Commerce and Uzbekistan Chamber of Commerce participated a statement is attached.

(b) 327 Indian firms participated in this Fair directly. Nearly 2500 firms participated through State and Foreign Country pavilions. The list indicating the names of companies which participated directly is at annexure-I.

(c) TFAI participates in around 35/40 fairs abroad annually to expose Indian goods & technology. It also arranges about 15 fairs a year in India to attract buyers, Foreign trade delegations are invited to visit India International Trade Fair, through our Missions abroad in the interest of export promotion. In addition, publicity is also carried out in foreign countries ad through various trade journals depicting India's export potential. Foreign chambers of Commerce, Trade Associations are requested to organise business visitors. Direct mail invitations are